

For immediate Release



SHUN TAK HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock code: 242)
website: <http://www.shuntakgroup.com>

Shun Tak recording steadfast 2010 annual results
Paving way for a strong pipeline of property launches in 2011

	Financial Highlights		
	2010 (HK\$'000)	2009 Restated (HK\$'000)	Difference (%)
Turnover	3,097,249	3,065,710	↑1%
Profit attributable to shareholders	853,344	2,873,928	↓70.3%
Profit attributable to shareholders (excluding revaluation effect and other one off exceptional gain)	393,938	1,103,807	↓64.3%
Earnings per share (HK cents):			
- Basic	41.4	134.4	
- Diluted	40.8	132.0	
Dividend per share (HK cents)	6.0	22.5	

(March 28, 2011 – Hong Kong) Shun Tak Holdings Limited (“Shun Tak” or “The Group”; stock code: 242) announced today its annual results for year 2010, posting HK\$3,097 million in turnover (2009: HK\$3,066 million) at a steady level as compared with last year. The Group registered HK\$853 million in audited operating profit attributable to shareholders. The Board of Directors declared HK\$6.0 cents per share as final dividend.

With the successful completion of One Central Macau, the Group reinforced its leadership role in real estate developments, and is diligently preparing for several large scale property launches including Nova City Phase 4, Chatham Garden Redevelopment Project and Taipa Hills Memorial Garden in 2011. With these pipeline projects in place, the Group is set to fully capitalize upon opportunities from the dynamic property market.

The hospitality division also achieved commendable growth in terms of visitor numbers, room rate and occupancy across destinations and hotels under its portfolio propelled by strong

tourism performance. In addition, the Group made great strides in penetrating the Mainland Chinese market through MICE businesses and a new appointment as the operation manager of Canton Tower.

Ms. Pansy Ho, Managing Director of the Group remarked, "We are confident and excited about the lineup of projects to be launched in 2011. Capitalizing upon the low-interest environment, both our Hong Kong and Macau developments are expected to generate popular demand. Going forward, we are on the lookout of new land sites to complement our existing property portfolio in preparation of our next growth phase."

Property

In the absence of extraordinary income and large scale project completions which underpinned the strong financials in 2009, the Property division registered \$256 million in profit, representing a 27% year-on-year decline. Nonetheless, the strong real estate market brought about improved leasing income and property sale prices, with the momentum continuing into year 2011 when a full pipeline of projects is expected to be unveiled.

A proud creation under the strong partnership with Hongkong Land Holdings Limited, One Central Macau is an internationally acclaimed development comprising 7 prestigious residential towers, a five-star 213-room Mandarin Oriental Hotel launched in June 2010, as well as its final crown jewel, The Residences and Apartments at Mandarin Oriental, Macau, launched in November 2010. The latter was met with exceptional response as it is the only serviced apartments managed by an acclaimed international hotel group with transferable strata titles across Macau and Hong Kong. As of March 2011, 79% of The Residences and Apartments at Mandarin Oriental, Macau were sold.

As of end of December 2010, 97% of One Central Residences were sold and 81% of the shopping mall has been leased with more new stores expected to be opened in 2nd quarter of 2011.

Nova City is a large scale residential and retail development in Taipa, with the Group holding 100% of its development rights. Phase 4 of Nova City comprises three residential towers featuring over 680,000 square feet of gross floor area. Commencement of foundation works are scheduled for the 2nd quarter of 2011. Phase 5 encompasses over 2.3 million square feet of well-appointed residences in eight towers. Below the apartment units will be a neighborhood shopping centre spanning approximately 650,000 square feet to provide unparalleled convenience to residents. The revised land contract with lease modification was

gazetted in September 2010. It is now under planning and site works are expected to commence in the 4th quarter of 2011.

The Group holds a 79% interest in a columbarium project located in Taipa. With legitimate land deed and operation license, it offers approximately 50,000 standard niches to the undersupplied Macau, Hong Kong and Pearl River Delta markets. Foundation works are completed and fit-out works of ground floor are in progress with presale scheduled for the 2nd quarter of 2011. A new showroom in Hung Hom with sample niche mock-up will open in April 2011 to service prospective buyers from Hong Kong.

In Hong Kong, the Group is set to capitalize upon the thriving property market with the forthcoming launch of a deluxe development located in Central Kowloon adjacent to the Tsim Sha Tsui district, consisting of approximately 370,000 square feet of residential and retail space. Superstructure works are in progress, and scheduled completion is slated for the 4th quarter of 2012. Pre-sale is expected to take place in the 2nd half of 2011. The Group holds a 51% interest in the project.

Transportation

Despite a considerable revival in global travel demand, the transportation division navigated through formidable headwinds in 2010. Aggressive price cuts from competitors and high fuel cost contributed to the narrowing of yield per passenger, yet TurboJET managed to maintain its leadership and market share, with passenger volume and load factors both exhibited recovery this year. The transportation division registered a loss of HK\$26 million (2009: profit of \$28 million).

TurboJET endeavors to create a travel experience above and beyond point-to-point transportation. It launched a second Premier Jetfoil and the TurboJET Premier Lounge at the Macau Maritime Ferry Terminal to offer discerning individuals a luxurious travel option while making the desirable affordable. Since 2009, TurboJET has successfully fostered an upscale market which achieved an encouraging growth of approximately 20%. As a result of the integrated sales and marketing efforts, TurboJET managed to strengthen its brand affiliation across multiple sectors.

TurboJET Airport Routes, operating out of SkyPier at the Hong Kong International Airport (HKIA), displayed promising growth prior to the financial plummet and has rebounded strongly in 2010. During the year, it introduced an eCheck-in service which enabled online check-in and boarding pass printing for the HKIA-Macau and HKIA-Nansha route. In November, the

suspended HKIA-Shenzhen route resumed service, connecting passengers to Shenzhen Airport which offers a strong domestic aviation network across China.

On land, Shun Tak & CITS Coach (Macao) Limited has a fleet of 129 coach buses, offering rental services within Macau locally as well as operate cross-border routes to mainland cities. Tapping into the upscale travel market, 5 new limousines were added to extend exclusive chauffeur service. In 2010, HK\$80 million in revenue was recorded, generating high profit return for the transportation division.

Hospitality

After two lean years, regional tourism has rebounded strongly, propelling organic growth in the Group's hotel and destination operations. The division also expanded its presence in China through a management appointment for Canton Tower and participation in various mega international events. As a result, we achieved in 2010 an operating profit of HK\$22 million (2009: loss of \$37 million).

The new Mandarin Oriental, Macau at One Central made its debut in June 2010, offering 213 hotel rooms along with signature luxuries synonymous with the brand. Adjoining MGM Macau and the One Central flagship shopping mall, the hotel leveraged upon its convenient location and strong brand affiliation to conclude its first six months of operation with promising performance in both occupancy and room rate. The Group holds a 51% interest in the joint venture.

In Hong Kong, the 658-room SkyCity Marriott Hotel made impressive headway in both occupancy and room rates as it capitalized upon group tour business and gained market share amongst airport hotels.

Macau Tower Convention & Entertainment Centre ("Macau Tower"), managed by the Group, received 662,000 paid visitors, a significant 28% increase compared with 2009. On the other hand, its banquet business dipped 18% following a myriad of national celebrations in 2009 and a surge in venue supply from the opening of new establishments. Entering 2011 with Macau Tower celebrating its 10th Anniversary, new upgrades in facilities and tenancies are planned to rejuvenate the destination and better meet market demands.

In China, the Group was appointed the manager of Canton Tower which debuted in late September 2010 before the opening of the 16th Asian Games in Guangzhou. Currently in its initial phase, the Tower offers sightseeing and MICE services, and has been attracting an

average of 8,000 visitors daily.

Having obtained a full MICE license in China last year, Shun Tak Hospitality Services Division has been actively harnessing corporate and MICE business opportunities in the mainland market. It was appointed as the operator of Guangdong Pavilion in Shanghai World Expo, and the designated service provider for leading China corporations for this event and Guangzhou Asian Games.

Driven by a thriving economy and strong demand for travel, Shun Tak Travel Group saw a 17% increase in sales and a promising 138% improvement in net profit compared with the previous year.

Investment

The investment division recorded a loss of HK\$46 million (2009: profit of HK\$22 million) with the decline mainly attributable to the lack of dividend income from Sociedade de Turismo e Diversões de Macau, S.A. ("STDM") and impairment loss on available-for-sale investment. Macau Matters Company Limited, the Group's retail arm and licensee holder of Toys 'R' Us in Macau, expanded into a 15,000 square feet flagship store at Macau Tower. With the market's rising affluence, the company recorded MOP 19 million in revenue as compared with MOP 14 million in 2009. In addition, a new business named "CentralDeli" with full deli, dairy, fine gourmet and wine on its menu, was launched in One Central Shopping Mall early August 2010.

By building upon its core competitiveness, the Group has laid a strong foundation over the preceding years and is ready to capitalize upon an eventful 2011. It will continue to develop its distinctive advantage and generate sustainable value for shareholders in the future.

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